

## Claims

[c1] A method of coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers, comprising the steps of:

- establishing a network of participating reinsurers meeting eligibility requirements to participate in said auction;
- establishing a reinsurance capacity for each of said participating reinsurers;
- receiving a request for reinsurance of an insurance program from a cedent;
- performing an underwriting analysis of said request for reinsurance and producing an underwriting report including an analysis of risk of loss associated with said insurance program;
- making said request for reinsurance and said underwriting report available to said participating reinsurers and enabling said participating reinsurers to make respective bids, during a selected period, to reinsure a portion of said insurance program; each bid to include a maximum percentage of reinsurance for said insurance program offered by said participating reinsurer and a rate specified by said participating reinsurer;
- receiving bids from said participating reinsurers during said selection period;
- selecting bids which fulfill said request for reinsurance, as a reinsurance proposal; and
- offering said reinsurance proposal to said cedent.

[c2] The method as in Claim 1 wherein said step of selecting bids for said reinsurance proposal comprises optimizing the bids selected to minimize the cost of said reinsurance proposal to said cedent.

[c3] The method as in Claim 1 further comprising the step of notifying said participating reinsurers that said sponsor will provide a portion of said reinsurance at a price and percentage to be determined by said sponsor prior

to selecting bids for said reinsurance proposal.

[c4] The method as in Claim 1 further comprising the steps of :  
binding said selected participating reinsurers to provide reinsurance  
for said insurance program; and  
guaranteeing, by said sponsor, payment by each of said selected  
participating reinsurers for any proper claims made for reinsurance of  
said insurance program.

[c5] The method as in Claim 4 further comprising the step of adjusting said rate  
of each bid to include a credit risk charge; said sponsor collecting said credit  
risk charge to insure against the risk of default by participating reinsurers on  
payments for proper claims guaranteed by said sponsor.

[c6] The method as in Claim 1 further comprising the step of adjusting said rate  
of each bid to include a service charge to be paid by said cedent and  
collected by said sponsor.

[c7] The method as in Claim 1 further comprising the steps of:  
binding said selected participating reinsurers to provide reinsurance  
for said insurance program;  
collecting premiums from said cedent for said reinsurance and  
distributing to each of said selected participating reinsurers its share  
of the premiums collected; and  
processing claims made against said reinsurance, including notifying  
each said selected participating reinsurer of claims due under said  
reinsurance, collecting claims payments from each of said selected  
participating reinsurers, and distributing said claims payments to said  
cedent.

[c8] The method as in Claim 1 and further comprising, after said step of selecting  
bids for said reinsurance proposal, the step of allowing said cedent to adjust  
a percentage of participation of selected and non-selected participating  
reinsurers within each participating reinsurer's capacity.

[c9] The method as in Claim 1 wherein said reinsurance comprises an agreement to pay claims obligations under an existing insurance program.

[c10] The method as in Claim 1 further comprising the step of determining whether said request for reinsurance meets minimum eligibility requirements for submission of said request to said network of participating reinsurers.

[c11] A method of coordinating, by a sponsor, an auction for providing insurance for a cedent by a plurality of insurers, comprising the steps of:  
establishing a network of participating insurers meeting eligibility requirements to participate in said auction;  
establishing an insurance capacity for each of said participating insurers;  
receiving a request for insurance from a cedent;  
performing an underwriting analysis of said request for insurance and producing an underwriting report including an analysis of risk of loss associated with said insurance;  
making said request for insurance and said underwriting report available to said participating insurers and enabling said participating insurers to make respective bids, during a selected period, to cover a portion of said insurance; each bid to include a maximum percentage of insurance offered by said participating insurer and a rate specified by said participating insurer;  
receiving bids from said participating insurers during said selected period;  
selecting bids which fulfill said request for insurance, as an insurance proposal; and  
offering said insurance proposal to said cedent.

[c12] The method as in Claim 11 wherein said step of selecting bids for said insurance proposal comprises optimizing the bids selected to minimize the cost of said insurance proposal to said cedent.

[c13] The method as in Claim 11 further comprising the step of notifying said

participating insurers that said sponsor will provide a portion of said insurance at a rate and percentage to be determined by said sponsor prior to selecting bids for said insurance proposal.

[c14] The method as in Claim 11 further comprising the steps of :  
binding said selected participating insurers to provide said insurance;  
and  
guaranteeing, by said sponsor, payment by each of said selected participating insurers for any proper claims made on said insurance.

[c15] The method as in Claim 14 further comprising the step of adjusting said rate of each bid to include a credit risk charge; said sponsor collecting said credit risk charge to insure against the risk of defaults by participating insurers on payments for proper claims guaranteed by said sponsor.

[c16] The method as in Claim 11 further comprising the step of adjusting said rate of each bid to include a service charge to be paid by said cedent and collected by said sponsor.

[c17] The method as in Claim 11 further comprising the steps of :  
binding said selected participating insurers to provide a portion of said insurance;  
collecting premiums from said cedent for said insurance and distributing to each of said selected participating insurers its share of the premiums collected; and  
processing claims made against said insurance, including notifying each said selected participating insurer of claims due under said insurance, collecting claims payments from each of said selected participating insurer, and distributing said claims payments to said cedent.

[c18] The method as in Claim 11, and further comprising, after said step of selecting bids for said insurance proposal, the step of allowing said cedent to adjust a percentage of participation of selected and non-selected

participating insurers within each participating insurers capacity.

- [c19] The method as in Claim 11 wherein said insurance comprises an agreement to pay claims obligations under an existing insurance agreement.
- [c20] The method as in Claim 11 further comprising the step of determining whether said request for insurance meets minimum eligibility requirements for submission of said request to said network of participating insurers.
- [c21] A process for coordinating, by a sponsor, an auction for providing insurance for a cedent by a plurality of insurers comprising the steps of:
  - establishing a network of participating insurers meeting eligibility requirements to participate in said auction;
  - establishing an insurance capacity for each of said participating insurers;
  - receiving a request for insurance from a cedent;
  - making said request for insurance available to said participating insurers and enabling said participating insurers to make respective bids, during a selected period, to cover a portion of said insurance; each bid to include a maximum percentage of insurance offered by said participating insurer and a rate specified by said participating insurer;
  - receiving bids from said participating insurers during said selection period;
  - selecting bids which fulfill said request for insurance, as an insurance proposal;
  - offering said insurance proposal to said cedent;
  - binding said selected participating insurers to provide said insurance;
  - and
  - guaranteeing, by said sponsor, payment by each of said selected participating insurers for any proper claims made on said insurance.
- [c22] The method as in Claim 21 further comprising the step of adjusting said rate of each bid to include a credit risk charge; said sponsor collecting said credit

risk charge to insure against the risk of defaults by participating insurers on payments for proper claims guaranteed by said sponsor.

[c23] The method as in Claim 21 further comprising the step of adjusting said rate of each bid to include a service charge to be paid by said cedent and collected by said sponsor.

[c24] The method as in Claim 21 further comprising the steps of :  
binding said selected participating insurers to provide a portion of said insurance;  
collecting premiums from said cedent for said insurance and distributing to each of said selected participating insurers its share of the premiums collected; and  
processing claims made against said insurance, including notifying each of said selected participating insurers of claims due under the insurance, collecting claims payments from each of said selected participating insurers, and distributing said claims payments to said cedent.

[c25] The method as in Claim 21, and further comprising, after said step of selecting bids for said insurance proposal, the step of allowing said cedent to adjust a percentage of participation of selected and non-selected participating insurers within each participating insurers capacity.

[c26] The method as in Claim 21 wherein said step of selecting bids for said insurance proposal comprises optimizing the bids selected to minimize the cost of said insurance proposal to said cedent.

[c27] The method as in Claim 21 further comprising the step of notifying said participating insurers that said sponsor will provide a portion of said insurance at a rate and percentage to be determined by said sponsor prior to selecting bids for said insurance proposal.

[c28] The method as in Claim 21 wherein said insurance comprises an agreement to pay claims obligations under an existing insurance agreement.

[c29] A process for coordinating, by a sponsor, an auction for providing reinsurance for a cedent by a plurality of insurers comprising the steps of:

- establishing a network of participating reinsurers meeting eligibility requirements to participate in said auction;
- establishing a reinsurance capacity for each of said participating reinsurers;
- receiving a request for reinsurance from a cedent;
- making said request for reinsurance available to said participating reinsurers and enabling said participating reinsurers to make respective bids, during a selected period, to cover a portion of said reinsurance; each bid to include a maximum percentage of reinsurance offered by said participating reinsurer and a rate specified by said participating reinsurer;
- receiving bids from said participating reinsurers during said selected period;
- selecting bids which fulfill said request for reinsurance, as a reinsurance proposal;
- offering said reinsurance proposal to said cedent;
- binding said selected participating reinsurers to provide said reinsurance; and
- guaranteeing, by said sponsor, payment by each of said selected participating reinsurers for any proper claims made on said reinsurance.

[c30] The method as in Claim 29 further comprising the step of adjusting said rate of each bid to include a credit risk charge; said sponsor collecting said credit risk charge to insure against the risk of defaults by participating reinsurers on payments for proper claims guaranteed by said sponsor.

[c31] The method as in Claim 29 further comprising the step of adjusting said rate of each bid to include a service charge to be paid by said cedent and collected by said sponsor.

[c32] The method as in Claim 29 further comprising the steps of :  
binding said selected participating reinsurers to provide a portion of  
said reinsurance;  
collecting premiums from said cedent for said reinsurance and  
distributing to each of said selected participating reinsurers its share  
of the premiums collected; and  
processing claims made against said reinsurance, including notifying  
each said selected participating reinsurers of claims due under the  
reinsurance, collecting claims payments from each of said selected  
participating reinsurers, and distributing said claims payments to said  
cedent.

[c33] The method as in Claim 29 and further comprising, after said step of  
selecting bids for said reinsurance proposal, the step of allowing said cedent  
to adjust a percentage of participation of selected and non-selected  
participating reinsurers within each participating reinsurers capacity.

[c34] The method as in Claim 29 wherein said step of selecting bids for said  
reinsurance proposal comprises optimizing the bids selected to minimize the  
cost of said reinsurance proposal to said cedent.

[c35] The method as in Claim 29 further comprising the step of notifying said  
participating reinsurers that said sponsor will provide a portion of said  
reinsurance at a rate and percentage to be determined by said sponsor prior  
to selecting bids for said reinsurance proposal.

[c36] The method as in Claim 29 wherein said reinsurance comprises an  
agreement to pay claims obligations under an existing reinsurance  
agreement.